

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

REQUEST FOR PROPOSALS FOR University Hospital Study (Reference RFP #2022-RERFP-0000061)

ADDENDUM #2

The following constitutes an Addendum, which can be a Clarification and/or Modification to the above-referenced solicitation. This Addendum is divided as follows:

- Part 1: Answers to Questions Submitted

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No.	Question	Answer
1.	Section 1.0 Is there any flexibility in the project completion timeframe, i.e. can it run longer than 60 days?	The deadline to complete the study remains at 60 days.
2.	Section 1.0 The first paragraph states “University Hospital (“UH”) located in Newark, Essex County, New Jersey, which shall include consideration of how new facilities at UH would complement existing health care services and facilities in the Region.” Question: Will the selected Contractor be working directly for and with UH?	The Contractor will execute a contract with and will work directly with NJEDA. UH will make staff and relevant information available to the Contractor and will cooperate fully with the completion of the report.
3.	Section 1.0 The second paragraph mentions “Rutgers New Jersey Medical School and Dental School and all other Newark-based medical education.” Question: What association or due diligence may be needed that would require working with these entities during this engagement?	UH is the principal teaching hospital for these entities and the UH master plan has been developed in close partnership with Rutgers University. A direct conversation with Rutgers University New Jersey Medical School and Rutgers School of Dental Medicine is advisable once the contract is awarded. UH will gladly assist in the coordination of meetings with both Schools.
4.	Section 1.0 The third paragraph states that the “study shall be submitted to the Governor, the Legislature, and the University Hospital Board of Directors upon completion. The study must be completed within 60 days of execution of the contract.” Question: Will NJEDA	See the response to Question 1.

	entertain a longer schedule based on the expected scope of work?	
5.	<p>Section 1.1</p> <p>To conduct “an assessment of plans of hospitals within the Region to expand services and/or facilities to meet the community needs” What data will be made available?</p>	<p>The Contractor will be expected to gather this information from the other hospitals in the Region.</p> <p>As part of this analysis, the Contractor is expected to have knowledge of and access to the relevant publicly available market information. Some of the relevant data can be obtained from the NJ Department of Health UB-04 data (latest data for both inpatient and outpatient data is CY2021).</p>
6.	<p>Section 1.1</p> <p>The first paragraph states that “The 2023 Fiscal Year budget provided funds to EDA to “study and plan for new health care facilities at the [UH] site to meet community health care needs in the City of Newark. The study shall take into consideration how new facilities would complement existing health care services and facilities in the Region.”</p> <p>Question: Will the facilities master plan and program for the new building be part of this study?</p>	<p>The facilities master plan and program for the new building is not part of this study.</p> <p>UH engaged Gensler to prepare the master plan. UH will provide the latest draft master plan and associated demand analysis to the Contractor.</p>
7.	<p>Section 1.1</p> <p>Bullet point 1 states “An assessment of the health care services in the Region”</p> <p>Question: When was the last Market study completed, by whom, and will NJEDA provide to Proposers to review?</p>	<p>All market studies prepared for UH as part of the facilities master plan will be provided.</p> <p>The 2015 Navigant report can be found here. The consultant should review this report as one of the relevant historical documents. Interviews with other providers in the region might be advisable as a follow up to the review of the Navigant report. The Contractor will be expected to gather this information from the other hospitals in the region.</p>
8.	<p>Section 1.1</p> <p>Bullet point 2 states “An inventory of hospitals and currently available hospital services in the Region”</p> <p>Question: Will service line scale and projections need to be verified for each facility?</p>	<p>The Contractor should use publicly available service line data and demographic information and trends to determine current and future hospital services in the Region.</p>
9.	<p>Section 1.1</p> <p>Bullet point 4 states “An assessment of the current and projected future hospital services in the Region and how these services are currently meeting and will meet patients’ needs within the Region”</p> <p>Questions: Does NJEDA have by department service line, etc? If so, what format is it in? Will it come from central</p>	<p>The Contractor should use publicly available service line data and demographic information and trends to determine current and future hospital services in the Region.</p>

	location, or each hospital will need to provide? What medical records software system is in use currently?	
10.	<p>Section 1.1</p> <p>Bullet point 5 states “An assessment of plans of hospitals within the Region to expand services and/or facilities to meet the community needs, which shall include a review of the UH facility plan and how the plan addresses the community needs in light of other expansion in the Region. Please note, the UH facility plan is currently being completed and will be provided to the Contractor once completed.” Question: We understand that the Facilities Master plan is by others per this bullet point, is that correct? Is the expectation for the Contractor to do an assessment and/or peer review? Is NJEDA only looking for the selected Contractor to perform market study and assessment of forecast data vs baseline / current state?</p>	<p>Question: We understand that the Facilities Master plan is by others per this bullet point, is that correct?</p> <p>Answer: UH engaged Gensler to prepare the master plan. UH will provide the master plan and associated demand analysis to the Contractor.</p> <p>Question: Is the expectation for the Contractor to do an assessment and/or peer review?</p> <p>Answer: The Scope of Services does not include a peer review of the UH master plan.</p> <p>Answer: Is NJEDA only looking for the selected Contractor to perform market study and assessment of forecast data vs baseline / current state?</p> <p>Answer: In conjunction with the required work in Sections 3.1(A), (B) and (C) of the Scope of Services, the Contractor will be required to “Review and assess the UH facility plan and assess whether the plan will address the current and future needs of patients in the Region, taking into account the existing facilities and planned future growth of the facilities in the Region.”</p> <p>Stated differently, the Contractor shall determine whether the UH Master Plan (as provided), in conjunction with other future growth in the region, will meet, undersupply, or oversupply patient medical services in the region, currently and over the next 5 years.</p> <p>This response is a summary of the Scope of Services Section 3 and does not REPLACE the work required in Section 3 of the RFP.</p>
11.	<p>Section 3.1</p> <p>Please clarify expectations for detail required on outpatient clinics. Are you expecting a physician demand analysis by specialty?</p>	<p>The Contractor will not be required to perform a physician demand analysis by specialty.</p>
12.	<p>Section 3.1</p> <p>For "adequately met" by facilities in the market, is this just based on quantity of</p>	<p>The Contractor must quantify the rooms (e.g., beds, ED bays, OR's) and not do a facility assessment on the quality of those rooms. Please use maintained/staffed beds versus licensed beds.</p>

	rooms (beds, ED bays, OR's) etc. or are we supposed to do a facility assessment on the quality of those spaces as well? Will we have access to those facilities?	
13.	<p>Sec 3.1</p> <p>Please clarify the financial analysis scope and structure: What specific deliverables are required? What type of inputs will you provide? (preliminary analysis by health system finance team? raw financial data including contribution margin, etc.)?</p>	The goal of this study is, in part, to inform decision-making on future capital investment at UH. As such, an analysis of the costs associated with the recommended capital investment as compared to the projected revenues is desired. UH will provide access to the Consultant for its financial data. The Consultant is not expected to gather financial information from other hospitals in the region.
14.	<p>Sec 3.1</p> <p>Can we assume the State of NJ will provide the hospital discharge datasets and ED datasets for NJ and NY? And any other claims level datasets?</p>	This data is available from federal and state sources. The Contractor may choose to obtain data from private sources as well.
15.	<p>Section 3.1</p> <p>Is there a contingency plan in case the required documents and studies (e.g. the Community Health Needs Assessment) are not completed or ready by the start of the contract?</p>	The UH 2021-2022 Community Health Needs Assessment is complete and available on the UH website here . The RWJ/Barnabas Hospital's Community Health Needs Assessments are available on their websites.
16.	<p>Sec 3.4</p> <p>Is there any flexibility on the study timeline? 60 days is a very short timeline for the scope of work requested.</p>	See response to Question 1.
17.	<p>Sec 4.2.1</p> <p>Can the references for team members and references for projects overlap?</p>	Yes
18.	<p>Section 4.2.2</p> <p>Does NJ EDA have a budget for this project?</p>	The budget for this project is not disclosed.
19.	<p>Has another party already completed the Campus Facilities assessment including Department meetings and review of volumes?</p>	The Campus Facility assessment completed by Gensler is completed and will be available.
20.	<p>For this effort, is NJEDA seeking demand supply data and to assess what the competition looks like today and what the future may look like in e.g. 5 and ten years, with different scenarios to be used to make decisions on the Facilities master plan and new hospital program being designed by others—is this correct?</p>	<p>The following summarizes the work required in the Scope of Services:</p> <ol style="list-style-type: none"> 1. Assess the current inventory of health care services in the region (Section 3.1(A)) 2. Assess current and future patient demand for the next five years (Section 3.1.(B)) 3. Assess current and future medical services over the next 5 years (Section 3.1(C)) 4. Assess whether the UH Master Plan (as provided), in conjunction with other future growth in the region, will meet, undersupply,

		<p>or oversupply patient medical services in the region, currently and over the next 5 years (Section 3.1(D))</p> <p>This response is a summary of the Scope of Services Section 3 and does not REPLACE the work required in Section 3 of the RFP.</p>
<p>21.</p>	<p><u>Regarding Ownership of Material RFP pp. 32–33, Section 5.8:</u> We take exception to Special Contractual Terms and Conditions, Section 5.8 Ownership of Material, and request the following language be incorporated in the final contract:</p> <p>Notwithstanding any term in the Contract to the contrary, Proposer shall retain all right, title, and interest in any and all intellectual property: (i) created by Proposer prior to this Contract, including (without limitation) Proposer proprietary software programs and processes for providing services and (ii) created by Proposer during the term of the Contract in the normal course of business for Proposer’s clients generally. Upon Authority request, at contract completion Proposer will provide in a format readable by non-proposer proprietary software all Authority computer data and information that Proposer created under the Contract.</p> <p>Rationale: This properly identifies background intellectual property and clarifies situations where the Authority would not take ownership.</p>	<p>The NJEDA is not willing to consider or accept the requested modifications.</p>
<p>22.</p>	<p><u>Regarding Ownership and Use of Documents Contract p. 2, Section 4:</u> We take exception to Contract for Services, Section 4 Ownership and Use of Documents and request the following language be incorporated in the final contract:</p> <p>Notwithstanding any term in the Agreement to the contrary, Vendor shall retain all right, title, and interest in any and all intellectual property: (i) created by Vendor prior to this Agreement, including (without limitation) Vendor proprietary software programs and processes for providing services and (ii) created by Vendor during the term of the</p>	<p>The NJEDA is not willing to consider or accept the requested modifications.</p>

	<p>Agreement in the normal course of business for Vendor's clients generally. Upon Authority request, at Agreement completion Vendor will provide in a format readable by non-vendor proprietary software all Authority computer data and information that Vendor created under the Agreement.</p> <p>Rationale: This properly identifies background intellectual property and clarifies situations where the Authority would not take ownership.</p>	
23.	<p><u>Regarding Manner of Payment, Contract p. 2, Section 5:</u> We take exception to Contract for Services, Section 5 Manner of Payment and request the following edits be incorporated in the final contract:</p> <p>Line 3: Insert "within thirty (30) days" between "Contractor," and "following"</p> <p>Rationale: Thirty-day payment terms are industry standard.</p>	<p>The NJEDA does not accept this change.</p> <p>Under the New Jersey Prompt Payment Act, P.L. 1987, c. 184 as amended by P.L. 2018, c. 127 (N.J.S.A. 52:32-34), NJEDA is required to pay invoices within 60 days (or 30 days for construction-related invoices) from the date it 1) received the goods or services or 2) received a properly executed vendor invoice, whichever is later. If a signed contract exists between the NJEDA and the vendor/contractor, and the contract specifies a payment date, then the NJEDA must pay invoices within 60 days of the payment date specified in the contract (or 30 days for construction-related invoices).</p>
24.	<p><u>Regarding Indemnification, Contract p. 3, Section 6:</u> We take exception to Contract for Services, Section 6 Indemnification and request the following edits be incorporated in the final contract:</p> <p>Line 3: Insert "third party" between "all" and "suits"</p> <p>Line 4: Insert "negligent" between "any" and "act"</p> <p>Line 5: Insert "that results in property damage or personal injury" between "Contract" and "."</p> <p>Rationale: Indemnity should not be permitted for direct actions between the contracted parties, and should be implemented when the Contractor has acted with negligence, not where it's acted in accordance with Contract terms or otherwise at Authority's direction.</p>	<p>The NJEDA is not willing to consider or accept the requested modifications.</p>
25.	<p><u>Regarding Termination, Contract p. 5, Section 8:</u> We take exception to Contract for Services, Section 8 Termination and</p>	<p>The NJEDA is not willing to consider or accept the requested modifications.</p>

	<p>request the following edits be incorporated in the final contract:</p> <p>Line 2: Replace “seven (7)” with “thirty (30)” between “upon” and “days”</p> <p>Rationale: Thirty days provides sufficient time to wind down services, and those of subcontractors, if any.</p>	
26.	<p><u>Regarding Consequential Damages:</u> We take exception to the absence of a consequential damages waiver, and respectfully request addition of the following language in the Contract:</p> <p>Consequential Damages. Except to the extent of the obligations in the paragraph “indemnification,” neither party shall be liable, under any circumstances for any anticipatory or lost profit, special, consequential, punitive, exemplary, incidental or indirect damages of any kind (collectively “non-direct damages”) resulting from its performance or non-performance of its obligations under the contract even if such non-direct damages are attributed to breach of the contract, tort or negligence or otherwise caused; such party has been advised of the possibility of such non-direct damages; or under applicable law, any such non-direct damages are considered direct damages.</p> <p>Rationale: Consequential Damage waivers are industry standard and allows us to consider appropriate and foreseeable risks, which allows for best pricing to the Authority.</p>	The NJEDA is not willing to consider or accept the requested modifications.
27.	<p>Section 1.4.9</p> <p>Please confirm if there are any eligibility requirements beyond the stated conflict of interest listed.</p>	Please review the Scope of Work in its entirety for all Proposer eligibility requirements.
28.	<p>Section 3.1</p> <p>Regarding the Authority’s role in facilitating information gathering, what data fields will be available in the audited financial statements referenced?</p>	The latest audited financial statements for all regional hospitals should be posted on their websites. By example, those for UH are here .
29.	<p>Section 3.1</p> <p>What is the estimated date of delivery of the Community Health Needs Assessment to the awardee?</p>	The 2021-2022 Community Health Needs Assessment is available on UH’s website here .

30.	<p>Section 3.1</p> <p>When will utilization data for University Hospital be available?</p>	<p>The utilization data will be made available to the Contractor within one week of the contract execution and issuance of the notice to proceed.</p>
31.	<p>Section 4.2.2</p> <p>Do Federal or State rate requirements regarding fringe benefits apply?</p>	<p>The Authority cannot provide a response to this. This is an internal company matter that should be reviewed as appropriate.</p>
32.	<p>Section 4.2.2</p> <p>Is the firm fixed price on the fee schedule the monthly invoice amount of the total for a contract year?</p>	<p>Please refer to attachment "0000061 – Fee Schedule"</p> <p>Firm Fixed pricing is how Proposers must submit their rates.</p> <p>The Fee schedule is broken into two sections:</p> <p>"Preparation of Study"</p> <p>This is a one-time, all-inclusive, firm-fixed price for the completion of the Scope of Work included in Section 3.0.</p> <p>Hourly Rates</p> <p>These are charged hourly for Task Order Requests. Please refer to Sections 3.5 and 5.14.</p>
33.	<p>Section 4.2.2</p> <p>How will the fee schedule, which is being proposed for the time and effort associated with the preparation of the study, going to be used to calculate total fees and payments?</p>	<p>Please refer to attachment "0000061 – Fee Schedule"</p> <p>Firm Fixed pricing is how Proposers must submit their rates.</p> <p>The Fee schedule is broken into two sections:</p> <p>"Preparation of Study"</p> <p>This is a one-time, all-inclusive, firm-fixed price for the completion of the Scope of Work included in Section 3.0.</p> <p>Hourly Rates</p> <p>These are charged hourly for Task Order Requests. Please refer to Sections 3.5 and 5.14.</p>
34.	<p>Section 5.2</p> <p>The study due date is listed as being within 60 days from the execution of the contract, while Section 5.2 states that the contract is valid for one year. Does the Authority foresee any additional task orders during the initial 60 days?</p>	<p>NJEDA does not anticipate any additional task orders during the initial 60 days in which the study will be prepared.</p>
35.	<p>Section 6.7.1</p>	<p>The Authority does not define the merits for a "successful performance". Please review the</p>

	<p>Section C says “Ability of the entity to complete the Scope of Work based on its Technical Proposal: The Proposer’s demonstration that the Proposer understands the requirements of the Scope of Work and presents an approach that would permit successful performance of the technical requirements of the contract. Proposer’s turnaround timeframes are critical and will be closely evaluated for both content and completion timeframes.” Please define the merits of “successful performance.”</p>	<p>requirements of Section 3.0 and provide a proposal that demonstrates your understanding of the requirements to complete this contract successfully.</p>
36.	<p>Would the Authority consider extending the proposal submission date by one week to January 11, 2023?</p>	<p>The Authority shall extend the proposal submission deadline from January 11, 2023 to January 18, 2023.</p>